



State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

August 29, 2005

CERTIFIED RETURN RECEIPT 7002 0510 0003 8603 4261

Mr. Robert Jones Bluffdale Sand and Gravel, Inc. 5635 Waterbury Way, Suite C-100 Salt Lake City, Utah 84121

Subject: <u>Large Mine Notice</u>; <u>Bluffdale Sand and Gravel</u>, <u>Inc.</u>; <u>Bluffdale Sand and Gravel</u>, <u>Inc.</u>; <u>Bluffdale Sand and Gravel</u>, <u>Utah</u>

Dear Jones:

The original Cessation Order on the Bluffdale Sand and Gravel operations issued on March 17, 2005, required you to file a complete Notice of Intent to Commence Large Mining Operations (LMO) or alternatively file a plan for performing reclamation. This was reaffirmed in the Findings and Conclusions from the March 21, 2005, Stop Work Conference, which required that you apply for an LMO concurrently with operation of the small mine.

On June 16, 2005, the Division conditionally approved your Notice of Intention to Commence Small Mining Operations for your second small mine in Bluffdale (which we have designated Bluffdale Sand and Gravel #2, S/035/027). The condition was that you would submit a Notice of Intention to Commence Large Mining Operations by July 1, 2005. This was based on a statement in a letter from you dated May 24, 2005, which said you anticipated submitting the LMO within 30 days. Even though it was the subject of the Cessation Order, the Stop Work Conference and a condition to your Small Mine Permit, we have yet to receive the Large Mine Notice of Intent or any plans to conduct reclamation of the site. We consider this a noncompliance situation and further enforcement action may need to be taken.



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Since the conditional approval was issued for the small mine, we understand you may have sold your interest in the property where the mines are located. Mining may have ceased, but the site has not been reclaimed. Your obligation to complete reclamation of the site is still in place until a transfer is approved or the site is reclaimed and released. We also understand some kind of development agreement may have been reached with Bluffdale City, but in spite of several requests to your office and to Bluffdale City, we have yet to receive a copy of this agreement. The only information we have received from your office is an agreement to postpone finalization of a June 1, 2005, agreement.

The Division cannot allow a mining disturbance to continue without having a permit in place or a reclamation bond for the disturbance. Alternatively, reclamation could be completed at the site but we have no plans for this either. We have no desire to take further enforcement action but may be forced to do so if we do not receive either: 1) a Notice of Intention to Commence Large Mining Operations and reclamation bond covering the entire disturbed area; or 2) a plan for reclamation of the site. This may include an approved plan for development of the site for housing. Even if a housing development has been approved by Bluffdale City, the mine site needs to be in a condition capable of supporting the postmining land use.

Within seven days of receipt of this letter, please submit copies of required notices, plans, pertinent information or agreements pertaining to this mine site which will allow us to ensure that the site is properly permitted or reclaimed. The Division will review this information and determine whether it is adequate or if additional information is still needed. If you have questions, please telephone me at 801-538-5325 or Paul Baker at 801-538-5261.

Sincerely,

Daron R. Haddock Permit Supervisor

Minerals Regulatory Program

Haddock